GOVERNMENT OF INDIA
CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:3168
ANSWERED ON:11.08.2000
COMPENSATION TO STATES FOR PROCUREMENT OF FOODGRAINS
CHINTAMAN NAVSHA WANAGA

Will the Minister of CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether some States and Union Territories have suffered heavy losses while procuring foodgrains for Central pool by procuring agencies of concerned States and Union Territories;

(b) if so, the details thereof, States and Union Territory-wise;

(c) whether the Government propose to compensate such losses to the concerned States and Union Territories; and

(d) if so, the details thereof and if not, the reasons therefore?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI CHAUHAN)

(a) to (d): During 1993-94 and 1995-96, Government of Punjab reported that a quantity of11,675 MTs. and 18,704 MTs. of wheat respectively procured by them and the State Agencies, were damaged due to floods. The Government of Punjab preferred a claim of Rs.8.19 crores and Rs.10.48 crores respectively for these losses. As the responsibility for storage and preservation of procured stocks before these are taken over by the FCI, is that of StateGovernment/its procuring agencies, for which storage charges are paid to them, the request was not acceded to. The State Government was advised to prefer their claims to the Ministryof Agriculture for relief under natural calamities or that the agencies may be compensated from the funds collected through Mandi charges, purchase tax, etc. Similar claims of Rs.7.51 crores and Rs.2.50 crores were received from the Governmentof Haryana towards losses suffered by them due to heavy rains in July, 1993 and 1995. The request of Government of Haryana was not acceded to.

Government of Punjab had also preferred a claim of Rs.273.86 crores as losses to havebeen caused to them in the process of open sale of paddy procured by them during 1994-95. This was examined in detail and a sum of Rs.120 crores was paid to the Government of Punjab on 19.1.2000.